

MEETING NOTICE

LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY

TUESDAY, AUGUST 30, 2011

COUNTY-CITY BUILDING, ROOM 112

555 SOUTH 10th Street

9:00 A.M.

AGENDA

Location Announcement of Nebraska Open Meetings Act: A copy of the Nebraska Open Meetings Act is located on the wall at the rear of the Hearing Room.

1. **APPROVAL OF MINUTES** – July 26, 2011
2. **APPROVAL OF CLAIMS** – processed through August 23, 2011
3. **PUBLIC HEARING** – Budget Hearing for Fiscal Year 2011-2012
4. **ADOPT RESOLUTION** – Resolution in the matter of approving the budget for fiscal year July 1, 2011 to June 30, 2012.
5. **AUDIT ENGAGEMENT LETTER** – Audit Services for fiscal year ending June 30, 2011.
6. **BLACK HILLS UTILITY 2009 TAX REFUND** – Discuss Payment versus Hardship
7. **PUBLIC COMMENT**
8. **SETTING OF NEXT MEETING** – September 27, 2011
9. **ADJOURNMENT**

MINUTES
LANCASTER COUNTY CORRECTIONAL FACILITY JOINT PUBLIC AGENCY (JPA)
COUNTY-CITY BUILDING, ROOM 112
TUESDAY, JULY 26, 2011
9:00 A.M.

Present: Bernie Heier, Chair; Eugene Carroll, Vice Chair; and Deb Schorr

Absent: Chris Beutler

Others Present: Dennis Meyer, County Budget & Fiscal Officer; Mike Thurber, Corrections Director; Cori Beattie, Deputy County Clerk; and Ann Taylor, County Clerk's Office

The Chair called the meeting to order at 9:00 a.m.

The location announcement of the Nebraska Open Meetings Act was given.

AGENDA ITEM

1 APPROVAL OF MINUTES OF JUNE 28, 2011 MEETING

MOTION: Schorr moved and Carroll seconded approval of the minutes of the June 28, 2011 meeting. Carroll and Schorr voted aye. Heier abstained from voting. Beutler was absent from voting. Motion carried 2-0, with one abstention.

2 APPROVAL OF CLAIMS PROCESSED THROUGH JULY 19, 2011

Dennis Meyer, County Budget and Fiscal Officer, gave an overview of the claims, which total \$3,046,124.56. The claims reflect payments to Wells Fargo for bank fees, Sampson Construction Company, the construction manager at risk, and The Clark Enersen Partners, the architect.

Mike Thurber, Corrections Director, said Sampson Construction has indicated the project is 69% complete in terms of items and materials purchased. He also reported the Mayor has signed an Executive Order (EO) for work on the intersection at the entrance to the facility. Bids for the work will be brought before the JPA.

MOTION: Schorr moved and Carroll seconded approval of the claims. Carroll, Schorr and Heier voted aye. Beutler was absent from voting. Motion carried 3-0.

3 FINANCIAL STATEMENT FOR FISCAL YEAR ENDING JUNE 30, 2011

Meyer reported a fund balance of \$28,918.818.

Schorr asked whether the JPA had a separate audit from the County. Meyer said it did, noting Bland & Associates, a Certified Public Accountants (CPA) firm in Omaha, prepared the audit.

4 PUBLIC COMMENT

There was no public comment.

5 SETTING OF NEXT MEETING

The next meeting was scheduled for 9:00 a.m. on Tuesday, August 30, 2011. The meeting will be held in Room 112 of the County-City Building and will include a public hearing on the budget, as well as budget adoption.

6 ADJOURNMENT

MOTION: Schorr moved and Carroll seconded to adjourn the meeting at 9:07 a.m. Schorr, Carroll and Heier voted aye. Beutler was absent from voting. Motion carried 3-0.

Cori Beattie for
Dan Nolte
Lancaster County Clerk



Lancaster County Correctional Facility Joint Public Agency
List of Claims through August 23, 2011

<u>Item Number</u>	<u>Payee</u>	<u>Invoice</u>	<u>Amount</u>	<u>Description</u>
Bond Proceeds -				
1	Wells Fargo	412-1853584 0711	99.62	Bank Fees - July 2011
2	Sampson Constuction Co., Inc.	25	<u>1,690,985.00</u>	July 2011 Services - see attached invoice
TOTAL			<u><u>1,691,084.62</u></u>	

Client Analysis Invoice

WELLS
FARGO

14-00182

H

LANCASTER COUNTY CORRECTIONAL FACILITY
555 S 10TH ST
LINCOLN NE 68508-2803

DATE: AUGUST 10, 2011
OFFICER: 99665
COST CENTER: 0055356
ANALYSIS PERIOD: JULY 2011
KEY ACCOUNT NUMBER: 4121853584

PLEASE REMIT PAYMENT WITHIN 30 DAYS OF THE 'INVOICE DATE' BELOW.
IF INVOICED CHARGES ARE NOT PAID WITHIN 90 DAYS, YOUR ACCOUNT WILL BE DEBITED
FOR THE INVOICED AMOUNT.

INVOICE NUMBER	INVOICE DATE	PAYMENT	PAYMENT DATE	OUTSTANDING BALANCE
11070093423	08-10-11			99.62

TOTAL PAYMENTS RECEIVED: .00
TOTAL AMOUNT DUE: 99.62 USD

PAST DUE AGING:
0 - 30 DAYS 99.62 31 - 60 DAYS .00 61 - DAYS AND OVER .00

RETURN THIS PORTION WITH YOUR REMITTANCE

LANCASTER COUNTY CORRECTIONAL FACILITY
555 S 10TH ST
LINCOLN NE 68508-2803

TOTAL AMOUNT DUE 99.62

AMOUNT ENCLOSED: _____

APPLY TO THE FOLLOWING INVOICES:

ACCOUNT NUMBER: 4121853584

INVOICE NBR INVOICE AMT PAYMENT AMT

MAIL PAYMENT TO:

11070093423 99.62 _____ USD

WELLS FARGO BANKS
ACCOUNT ANALYSIS
NW 7091 PO BOX 1450
MINNEAPOLIS, MN 55485

0182

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGES

PAGE ONE OF

TO OWNER: The County of Lancaster, NE
555 South 10th Street
Lincoln, NE 68508

PROJECT: Lancaster County Detention Facility
West O Street & Southwest 40th Street

FROM CONTRACTOR: Sampson Construction Co., Inc.
3730 So. 14th St.
Lincoln, NE 68502

VIA: Angie Koziol, Business Manager
Lancaster County Dept. of Corrections
605 South 10th Street
Lincoln, NE 68508

APPLICATION NO: 25

PERIOD TO: 7/31/2011

PROJECT NOS: 08041

CONTRACT DATE: 5/13/2008

Distribution to:
☐ OWNER
☐ CONTRACTOR

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

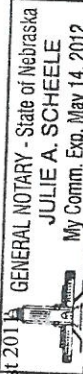
1. ORIGINAL CONTRACT SUM \$ 59,900,000.00
2. Net change by Change Orders \$ 642,910.00
3. CONTRACT SUM TO DATE (Line 1 + 2) \$ 60,542,910.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) \$ 43,444,207.00
5. RETAINAGE:
 - a. 5 % of Contract Sum (Column D + E on G703) 2,953,553.00
 - b. % of Stored Material (Column F on G703) \$
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total) \$ 2,953,553.00
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 40,490,654.00
8. CURRENT PAYMENT DUE \$ 38,799,669.00
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) \$ 1,690,985.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$642,910.00	
Total approved this Month		
TOTALS	\$642,910.00	\$0.00
NET CHANGES by Change Order	\$642,910.00	

CONTRACTOR: Sampson Construction Co., Inc.

By:  Date: 8-10-11

State of: Nebraska County of: Lancaster
Subscribed and sworn to before me this 10th day of August 2011
Notary Public: 
My Commission expires: 5-14-2012



OWNER APPROVAL

APPROVED AMOUNT \$ 1,690,985.00

OWNER: Lancaster County Corrections

By:  Date: 8-12-11

This Certificate is not negotiable. The APPROVED AMOUNT is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE OF PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 25
APPLICATION DATE: 8/10/2011
PERIOD TO: 7/31/2011
ARCHITECT'S PROJECT NO: 08041

LANCASTER COUNTY DETENTION FACILITY

DANFORTH COUNTY DETENTION FACILITY										
A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE THRU CHANGE ORDER #1	D		E WORK COMPLETED THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)	H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)							
1	3A-Augered CIP Piles (Longfellow Foundations)	462,382	461,903				461,903	100%	479	23,119
2	3B-Found./Poured Walls/CIP Retain Walls (Stephens & Smith)	1,431,965	1,431,965				1,431,965	100%		71,598
3	Temporary Heat for Construction	100,000	4,320				4,320	4%	95,680	5,000
4	3B-Interior Slabs (Sampson Construction)	1,053,444	956,954		44,592		1,001,546	95%	51,898	52,672
5	3C-Precast Struct. Conc/Steel Erection (Concrete Industries)	7,319,808	7,173,412				7,173,412	98%	146,396	365,990
6	Electrical Devices in Precast Panels	124,500	124,500				124,500	100%		6,225
7	4A-Masonry (Midwest Masonry)	2,929,906	2,742,740		79,664		2,822,404	96%	107,502	146,495
8	Wall Height Coordination (Schedule vs. Detail)	0								0
9	5A-Steel Materials (Steel Fabricators)	414,225	391,778		14,707		406,485	98%	7,740	20,711
10	6A-Rough Carpentry (Mark Sass)	118,939	97,200		12,000		109,200	92%	9,739	5,947
11	6B-Finish Carpentry (Sampson Construction)	906,777	18,900		6,000		24,900	3%	881,877	45,339
12	Allowance for Addl. Projection Screens/Tackboards	110			30,000		209,883	57%	110	6
13	7A-Joint Sealants (McGill Brothers)	370,035	179,883						160,152	18,502
14	Security Joint Sealant Coordination	100,000							100,000	5,000
15	7B-Waterproofing and Subdrainage	148,492	142,552				142,552	96%	5,940	7,425
16	7C-Fireproofing and Firestopping	78,000	16,472				16,472	21%	61,528	3,900
17	7D-Metal Wall Panels/Sheet Metal Flashings & Trim (SGH)	337,211	21,190				21,190	6%	316,021	16,861
18	7E-Roofing/Sheet Metal Flashings & Trim (Sprague Roofing)	1,318,191	1,146,254				1,146,254	87%	171,937	65,910
19	7F-Spray on Foam Insulation (Liquid Foam Insulation)	8,841							8,841	442
20	8A-Doors and Hardware (DH Pace Company)	566,926	269,148		257,083		526,231	93%	40,695	28,346
21	8B-Overhead Doors & Loading Dock Equip. (Raynor Doors)	196,934							196,934	9,847
22	8C-Aluminum and Glass (City Glass)	887,616	171,234		144,500		315,734	36%	571,882	44,381
24	8D-Skylights & Translucent Panel Roof System (SGH)	353,098	336,669				336,669	95%	16,429	17,655
25	9A-Metal Framing/Drywall/Sheath/Firestop (E & K of Omaha)	1,689,273	1,316,673				1,316,673	78%	372,600	84,464
26	9B-Hardcoat Exterior Finish System (Paul L. Kess)	17,194							17,194	860
27	9C-Ceilings (T-C Ceilings)	417,478	20,576				20,576	5%	396,902	20,874
28	9D-Tile (Great Plains Stone & Tile)	67,631	27,030				27,030	40%	40,601	3,382
29	9E-Flooring (Floors Inc.)	425,464	242,780				242,780	57%	182,684	21,273
30	Allowance for Attic Stock for Finish Materials	37,500							37,500	1,875
31	9F-Resinous Flooring (Surface Sealers)	284,677							284,677	14,234
32	9G-Painting/Staining (Gene Phillips)	242,693	73,392		20,000		93,392	38%	149,301	12,135
33	9H-Painting/High Perf. Coatings & Epoxy (Surface Sealers)	1,086,217	105,105				105,105	10%	981,112	54,311
34	Post Punchlist Finish Corrections Allowance	49,000							49,000	2,450
35	10A-Signage (ASI Modulex)	13,671							13,671	684
36	Monument Sign Allowance	90,000							90,000	4,500

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE OF PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

APPLICATION NO: 25

Contractor's signed certification is attached.

APPLICATION DATE: 8/10/2011

In tabulations below, amounts are stated to the nearest dollar.

PERIOD TO: 7/31/2011

Use Column I on Contracts where variable retainage for line items may apply.

ARCHITECT'S PROJECT NO: 08041

LANCASTER COUNTY DETENTION FACILITY

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE THRU CHANGE ORDER #1	D		E WORK COMPLETED THIS PERIOD	F MATERIALS PRESENTLY STORED (NOT IN D O R E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)	H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	WORK COMPLETED THIS PERIOD					
37	10B-Operable Partitions (SGH)	24,213	1,400				1,400	22,813	1,211
38	10C-Access Flooring (Porter Trustin Carlson)	16,715						16,715	836
39	Allowance for Cut Out Holes in Access Flooring	1,500						1,500	75
40	11A-Detention (Chief Custom Products)	2,244,721	908,274		300,986		1,209,260	1,035,461	112,236
41	11B-Property Storage System (Midwest Storage Solutions)	127,225						127,225	6,361
42	11C-Laundry Equipment (A. A. Horwath)	403,065	24,000				24,000	379,065	20,153
43	11D-Food Service Equipment (Paramount Restaurant)	1,555,843	1,280,611		116,792		1,397,403	158,440	77,792
44	12-Roller Window Shades (Craftsman Window Covering)	37,192						37,192	1,860
45	Window Shade Pockets Install	4,050						4,050	203
46	13-Prefabricated Precast Concrete Cell Module (Tindall Corp.)	4,196,771	4,134,830				4,134,830	61,941	209,839
47	14-Conveying Systems (Eletech)	372,706	266,324		13,642		279,966	92,740	18,635
48	21-Fire Sprinkler (Nifco)	833,945	424,000		48,000		472,000	361,945	41,697
49	22-Plumbing & Hydronic Piping (Midwest Mechanical)	4,370,278	3,828,220		136,979		3,965,199	405,079	218,514
50	23-HVAC/Controls/Balancing (Falcon)	3,685,886	2,838,277		109,242		2,947,519	738,367	184,294
51	Allowance for Addl. Security Bars in HVAC Openings	0							0
52	16A-Electrical (Commonwealth Electric)	4,998,793	4,195,349		111,700		4,307,049	691,744	249,940
53	28-Electronic Safety & Security (Accurate Controls)	2,480,171	961,335		47,834	62,658	1,071,827	1,408,344	124,009
54	31A-Earthwork (Shanahan Brothers)	428,310	381,057		10,673		381,057	47,253	21,416
55	Site Access Roadway	384,985	277,184				287,857	97,128	19,249
56	32A-Landscaping Allowance	495,023						495,023	24,751
57	32B-Concrete Paving & Sidewalks (Platte Valley Precast)	1,087,590	630,145				630,145	457,445	54,380
58	32C-Asphalt Paving, Curb & Gutter	55,288						55,288	2,764
59	32D-Chain-link Fences and Gates (American Fence)	133,569	67,659				67,659	65,910	6,678
61	33-Utilities (True Line Underground)	511,120	496,660				496,660	14,460	25,556
62	Allowance for Meter Houses	80,000						80,000	4,000
63	Testing/Special Inspections (Olsson)	220,000	107,992		4,870		112,862	107,138	11,000
64	GC-General Conditions	4,315,438	1,502,006		65,836		1,567,842	2,747,596	215,772
65	Building Permit	162,801	147,617				147,617	15,184	8,140
66	Builders Risk Insurance	104,574	104,574				104,574		5,229
67	Bond	220,941	214,575				214,575	6,366	11,047
68	Fee @ 3.25%	1,870,146	1,308,603		53,227		1,361,830	508,316	93,507
69	Preconstruction Services	179,900	179,900				179,900		
70	Contingency	1,291,953						1,291,953	
GRAND TOTALS		60,542,910	41,753,222	1,628,327		62,658	43,444,207	17,098,703	2,953,553

62,953,553
40,440,654

Lancaster County General Conditions

7/26/2011

		Budget	Monthly Cost 07-26-2011	Cost to Date 07-26-2011
1021	Survey	\$ 82,800	\$ 176	\$ 15,059
1022	Submittal exchange	\$ 15,000	\$ -	\$ 13,050
1101	Printing & postage	\$ 36,000	\$ -	\$ 2,692
1150	Supervision	\$ 870,000	\$ 14,345	\$ 345,812
1151	Project management	\$ 960,000	\$ 19,009	\$ 528,069
1152	Contract Administration	\$ 135,000	\$ 107	\$ 13,762
1156	Temp. office equipment & supplies	\$ 27,000	\$ -	\$ 4,551
1501	Temp. Electric	\$ 105,000	\$ -	\$ 22,519
1503	Temp. Heat	\$ 218,732	\$ 27	\$ 57,341
1504	Temp. phones	\$ 42,000	\$ 450	\$ 14,410
1505	Temp. Water	\$ 15,000	\$ 99	\$ 5,028
1510	Security	\$ 24,000	\$ -	\$ -
1516	Temp. toilet	\$ 46,800	\$ 942	\$ 10,751
1518	Dumpsters	\$ 39,000	\$ 1,829	\$ 9,361
1519	Safety administration	\$ 75,000	\$ 1,809	\$ 32,097
1520	Fencing perimeter of site	\$ 25,980	\$ -	\$ -
1521	Barricades/traffic control	\$ 21,000	\$ -	\$ 3,567
1530	Other costs	\$ 19,802	\$ 58	\$ 5,607
1601	Temp. Heat equipment	\$ 35,000	\$ -	\$ -
1602	Temp. Cooling equipment	\$ 34,000	\$ -	\$ -
1603	Winter enclosures	\$ 55,000	\$ -	\$ 61,523
1702	Material Handling	\$ 42,000	\$ 977	\$ 15,423
1703	site maint./pump water/snow removal	\$ 39,000	\$ 3,000	\$ 36,000
1705	Daily Clean-up	\$ 364,554	\$ 3,286	\$ 43,558
1710	Final Clean-up	\$ 243,036	\$ -	\$ -
1800	Close out	\$ 26,880	\$ -	\$ -
1900	Equipment	\$ 297,000	\$ 16,485	\$ 268,382
1903	Temp. office	\$ 54,000	\$ 1,437	\$ 33,871
1904	Storage containers	\$ 48,000	\$ 1,800	\$ 25,409
	Total		\$ 65,836	\$ 1,567,842

BILL OF SALE

For good and valuable consideration Accurate Controls, Inc. (the Seller) hereby sells and transfers possession of the following goods valued at \$40,599.09 to Lancaster County (the Buyer):

Quantity	Description	Part Number
65	Two-Reader Board	PREM-BRD2RDR
10	HP ProCurve J4859C Gigabit-LX-LC Mini-GBIC	7946659
3	VisStation CPU	MIS
2	NetGear ProSafe GS748TS-100NAS 48-port Gigabit Stackable Switch	7356456
1	Hi-Speed HDMI Cable with Ethernet, 6ft.	12420256
1	Saginaw Subpanel 27x21	SCE-30P24
2	Saginaw Subpanel 13x13	SCE-16P16

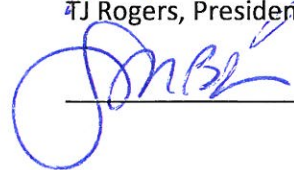
Accurate Controls, Inc. agrees that they own and have the right to sell the goods listed to Lancaster County, and that the goods are free and clear of all encumbrances.

Dated this day the 21st day of July, 2011 by TJ Rogers, President of Accurate Controls, Inc.

Signed:


TJ Rogers, President

Notary:


Commission Expires: 11/2/2014

BEFORE THE BOARD OF LANCASTER COUNTY CORRECTIONAL FACILITY JOINT
PUBLIC AGENCY
OF LANCASTER COUNTY, NEBRASKA

IN THE MATTER OF APPROVING)
THE BUDGET FOR THE FISCAL YEAR)
OF JULY 1, 2011 TO JUNE 30, 2012) RESOLUTION NO. _____

WHEREAS, pursuant to Neb. Rev. Stat. §§13-501 to 13-522 (Reissue 2007) the
Lancaster County Correctional Facility Joint Public Agency Board reviewed the Proposed
Budget for the Fiscal Year of July 1, 2011 to June 30, 2012; and

WHEREAS, the Proposed Budget for the Fiscal Year of July 1, 2011 to June 30, 2012
was filed with the Lancaster County Clerk's Office; and

WHEREAS, pursuant to Neb. Rev. Stat. § 13-506, the Lancaster County Correctional
Facility Joint Public Agency Board held a public hearing on August 30, 2010, regarding the
proposed budget; and

WHEREAS, the Lancaster County Correctional Facility Joint Public Agency Board
wishes to adopt the Proposed Budget for the Fiscal Year of July 1, 2011 to June 30, 2012.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Lancaster County
Correctional Facility Joint Public Agency, that the Proposed Budget for the Fiscal Year of July 1,
2011 to June 30, 2012, is hereby adopted.

DATED this 30th day of August, 2011, at the County-City Building, Lincoln, Lancaster
County, Nebraska.

BY THE BOARD OF LANCASTER
COUNTY CORRECTIONAL FACILITY
JOINT PUBLIC AGENCY

REC'D

JUL 29 2011

LANCASTER COUNTY
BOARD

blandTM
& associates
beyond accounting

Certified Public Accountants

July 22, 2011

Mr. Bernie Heier, County Board Chairman
Lancaster County, Nebraska
555 South 10th Street
Lincoln, NE 68508

Dear Mr. Heier:

This letter is to explain our understanding of the arrangements for the services we are to perform for the Lancaster County Correctional Facility Joint Public Agency for the year ending June 30, 2011. We ask that you either confirm or amend this understanding.

Audit Services

We will perform an audit of the Lancaster County Correctional Facility Joint Public Agency's governmental activities as of and for the year ended June 30, 2011 which collectively comprise the financial statements. We understand that these financial statements will be prepared in accordance with accounting principles generally accepted in the United States of America. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as Management's Discussion and Analysis (MD&A) to accompany the Lancaster County Correctional Facility Joint Public Agency's financial statements. As part of our engagement, we will apply certain limited procedures to the Lancaster County Correctional Facility Joint Public Agency's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Statement of Revenues, Expenditures, and Change in Fund Balance – Budget To Actual (Budgetary Basis)
- 2) Note to Required Supplementary Information

The objective of an audit of financial statements is to express an opinion on those statements. We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of the audit committee are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

We will conduct the audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable rather than absolute, assurance about whether the financial statements are free of material misstatement whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, *Government Auditing Standards* do not expect us to provide reasonable assurance of detecting abuse.

An audit of financial statements also includes obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements, and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will

communicate to management and the audit committee any significant deficiencies or material weaknesses that become known to us during the course of the audit.

We will also communicate to the audit committee (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, (b) any fraud, illegal acts, violations of provisions of contracts or grant agreements and abuse that come to our attention (unless they are clearly inconsequential), (c) any disagreements with management and other serious difficulties encountered in performing the audit, and (d) various matters related to the entity's accounting policies and financial statements.

In addition to our reports on the Lancaster County Correctional Facility Joint Public Agency's financial statements, we will also issue the following reports or types of reports:

- Reports on internal control related to the financial statements. These reports will describe the scope of testing of internal control and the results of our tests of internal controls.
- Reports on compliance with laws, regulations, and the provision of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements.
- A schedule of findings and responses

Our reports on internal control will include any significant deficiencies and material weaknesses in the system of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards identified above. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed by contracts; and any state or federal grant, entitlement of loan program questioned costs of which we become aware, consistent with requirements of the standards identified above.

Lancaster County Correctional Facility Joint Public Agency's Responsibilities

Management is responsible for the financial statements, including the selection and application of accounting policies, adjusting the financial statements to correct material misstatements, and for making all financial records and related information available to us. Management is responsible for providing us with a written management representation letter confirming certain representations made during the course of our audit of the financial statements and affirming to us that it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge.

Management is responsible for identifying and ensuring that the entity complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, and others where the

fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is also responsible for (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance and (b) following up and taking corrective action on audit findings.

The audit committee is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client. Accordingly, the County agrees it will compensate Bland & Associates, P.C., for any additional costs incurred as a result of the employment of a partner or professional employee of Bland & Associates, P.C.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Lancaster County Correctional Facility Joint Public Agency's books and records. The Lancaster County Correctional Facility Joint Public Agency will determine that all such data, if necessary, will be so reflected. Accordingly, the Lancaster County Correctional Facility Joint Public Agency will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by the Lancaster County Correctional Facility Joint Public Agency personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Mr. Dennis Meyer. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Terms of our Engagement

The Lancaster County Correctional Facility Joint Public Agency hereby indemnifies Bland & Associates, P.C. and its partners, principals, and employees and holds them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by a member of the Lancaster County Correctional Facility Joint Public Agency's management, regardless of whether such person was acting in the Lancaster County Correctional Facility Joint Public Agency's interest. This indemnification will survive termination of this letter.

It is agreed by the Lancaster County Correctional Facility Joint Public Agency and Bland & Associates, P.C. or any successors in interest that no claim arising out of services rendered pursuant to this agreement by or on behalf of the Lancaster County Correctional Facility Joint Public Agency shall be asserted more than two years after the date of the last audit report issued by Bland & Associates, P.C.

Our fees are based upon the time required by the individuals assigned to the engagement, plus direct expenses. Interim billings will be submitted as work progresses and as expenses are incurred. Our fee for the services described in the letter will not exceed \$4,728 unless the scope of the engagement is changed, the assistance which the Lancaster County Correctional Facility Joint Public Agency has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. All other provisions of this letter will survive any fee adjustment.

In the event we are requested or authorized by the Lancaster County Correctional Facility Joint Public Agency or are required by the Lancaster County Correctional Facility Joint Public Agency or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Lancaster County Correctional Facility Joint Public Agency, Lancaster County Correctional Facility Joint Public Agency will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The working papers for this engagement are the property of Bland & Associates, P.C. However, you acknowledge and grant your assent that representatives of other government audit staff and the U.S. Government Accountability Office shall have access to the audit working papers upon their request; and that we shall maintain the working papers for a period of at least three years after the date of the report, or for a longer period if we are requested to do so. Access to requested work papers will be provided under the supervision of Bland & Associates, P.C. audit personnel and at a location designated by our Firm.

If circumstances arise relating to the conditions of your records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets, or noncompliance which in our professional judgment prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawal from the engagement.

In accordance with *Government Auditing Standards*, a copy of our most recent peer review report is enclosed for your information.

If this letter defines the arrangements as you understand them, please sign and date the enclosed copy, and return it to us. We appreciate your business.

Sincerely,

BLAND & ASSOCIATES, P.C.



Jeremy C. Vokt, CPA
Shareholder

Confirmed on behalf of the addressee:

By: _____

Title: _____

Date: _____



To the Shareholders of
Bland & Associates, P.C.
and the Peer Review Committee of the Nevada Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Bland & Associates, P.C. (the firm) in effect for the year ended December 31, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based upon our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Bland & Associates, P.C. in effect for the year ended December 31, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Bland & Associates, P.C. has received a peer review rating of *pass*.

Weaver and Tidwell, LLP
WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
June 18, 2010

ANDY STEBBING
Treasurer



TERRY ADAMS
Chief Deputy

LANCASTER COUNTY TREASURER'S OFFICE

555 South 10th Street, Ste. 102 / Lincoln, Nebraska 68508 / Phone (402) 441-7425 / Fax (402) 441-8841

To: JPA Board
Date: August 16, 2011
Subject: Black Hills Utility 2009 Tax Refund

The Nebraska Department of Revenue recently announced a settlement with Black Hills Utility on a decrease of their 2009 taxable value. Since Black Hills has already paid their 2009 taxes, they are entitled to a refund. Per NE State Statute Section 77-1736.06, the County Treasurer shall notify each political subdivision of its respective share of the refund due to Black Hills. Your subdivision's share of the refund is shown below.

In that same statute, the Treasurer is required to pay the refund from funds in our possession belonging to each subdivision unless, within 30 days of this notice date, the subdivision provides written certification that a hardship would result and create a serious interference with its governmental functions if the refund of the tax is paid. If we do not receive written notice within 30 days, all funds collected and held on behalf of your subdivision will be applied to the refund until paid in full.

If you wish to implement the hardship section, please submit this in writing to our office no later than September 15, 2011 with a proposed schedule of repayment. According to Section 77-1736.06(2), the refund shall be satisfied in full as soon as practicable and in no event later than five years from approval of the refund.

If you have any questions regarding this matter, please contact Terry Adams, Deputy County Treasurer at (402) 441-8409 or Liz Thanel, Accountant at (402) 441-7446.

Tax District	Fund	Refund Due by Fund	Refund Due by Subdivision
JLCO	00593	2,237.12	2,237.12
JLLN	00594	3,149.12	3,149.12

Sincerely,

Andy Stebbing, County Treasurer